OVERVIEW
6-1

Management Board of Cabinet

OPS Management Series

The Management Cycle

The Functions of a Government Manager

Introduction

The purpose of this brochure is to introduce the reader to the Management Cycle. The components of the cycle will be explained and the concepts of Managing-By-Results, Management Control, Value-for-Money will be related to it.

The diagram was designed specifically to depict management in the Ontario Government. Many elements of it, however, particularly the sequential management functions in the outer ring, can be found in the management of any organization, large or small, private or public. Conversely, the ongoing functions in the inner ring are predominantly found in a government setting.

Ontario's Management Philosophy sets out a number of key management principles under seven headings:

- responding
- cooperating
- setting direction
- evaluating
- motivating
- developing
- adapting

The Management Cycle incorporates these and others to provide a simple picture of management in government. It is being used as a foundation and organizing device for the structuring of the Ontario Principles and Standards of Management Publication Series.

The Management Cycle

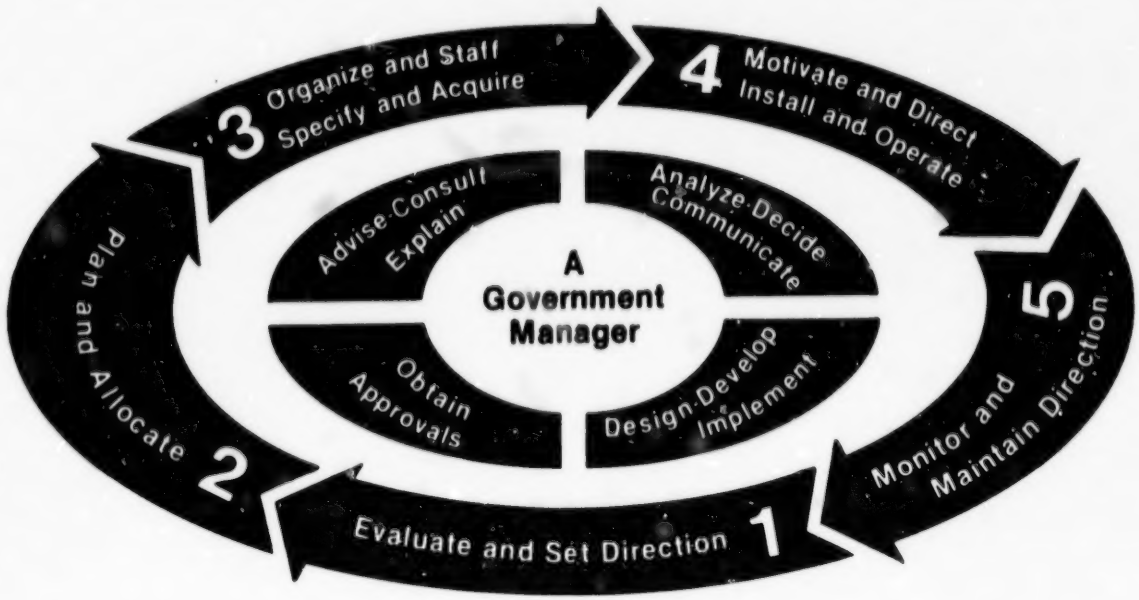
The Ongoing Management Functions

Obtain Approvals

Government managers spend public funds to carry out their programs. Consequently, they are required to provide input into and comply with established approval processes before resources are allocated. In addition, our system of responsible government requires that new programs and substantial program modifications receive policy approval. This means that managers must also be familiar with their respective roles in supporting their minister in the policy formulation process. **Obtaining approval** is integral to managing in government.

Advise-Consult-Explain

Managers' familiarity with the client group, their expertise in the program, and the continuity they provide, means that they spend a considerable amount of time **advising** their superiors and the Minister on all aspects of their programs and policies. The far-reaching effects and complexity of most government programs cause managers to spend a great deal of time **consulting** with other program managers, members of the public and interest groups before recommending changes to their programs. Since the Minister cannot be the government's sole contact with the public, government managers must be prepared to communicate and **explain** their programs, and the government's policies on which they are based, to the public and interested groups.



The Ongoing Management Functions

Analyze-Decide-Communicate

The first two steps of **analyzing** and **deciding** are often referred to as problem-solving functions. In some situations, managers have the delegated authority to make decisions, while in others, they analyze the alternatives for a decision by a superior or Cabinet. The third step of **communicating** is included because it is so vital in government. A key tool in motivating employees is effectively communicating the reasons for a manager's decisions. The greater the degree of decentralization of decision-making in the ministry, the more important this function becomes, both with Ministry staff and in dealing with the public.

Design-Develop-Implement

This function refers to the process of **designing**, **developing** and **implementing** government programs and policies. In the Ontario Government, managers often take on direct responsibility for building or modifying programs or policies. Normally, programs are not designed and built by a group of specialists and then handed over to a manager to run. In most cases, the manager is directly involved and plays an important role in providing continuity to this sequence of steps.

The Sequential Management Functions

1. Evaluate and Set Direction

This step of the cycle includes program evaluation, reaffirming overall role, mandate, and direction, strategic planning, policy formulation, and any other broad policy making or direction setting activities. This step sets the stage for the more specific planning and allocating of resources which follows.

2. Plan and Allocate

This function includes the setting of objectives and priorities, contingency planning, capital planning, resource allocation, operational planning and budgeting, and preparation and defence of the estimates in the Legislature. This step in the cycle also includes the Government wide process of resource allocation.

3. Organize and Staff/Specify and Acquire

"Organize and Staff" refer to the design and modification of organizations usually down to the level of the job specification and the function of staffing those positions. This function would also include reorganizations and special project assignments. "Specify and Acquire" refer to all the non-human resources such as funding, accommodation and equipment. "Specify" includes such things as designing the work flow, resource requirements and the outputs of the program, while "acquire" refers to the acquisition of the resources to carry out the program.

4. Motivate and Direct/Install and Operate

"Motivate and Direct" refer to human resources, whereas "Install and Operate" refer to non-human resources. It is at this step where leadership and motivational skills become paramount as specific tasks are assigned to individuals and performance appraisals are carried out. For non-human resources, this is the step where the resources are put in place and used on day-to-day basis.

5. Monitor and Maintain Direction

This function of management is necessary to keep track of progress in achieving results planned for, so that if something has gone wrong or is about to go wrong, corrective action can be taken. Its purpose is to isolate problems in time to fix them. While the term "control" is often used to describe this function, the term "maintain direction" has been used in the cycle diagram to reflect the corrective emphasis. The overall objective in fulfilling this function is to ensure the achievement of what was planned at the time the resources and responsibilities were assigned.

The Management Cycle

Definitions

To understand and make use of the diagram, the following definitions and explanations are important.

Management – *Management is defined as a group of actions taken in order to reach predetermined goals with predetermined resources.*

The term "predetermined" is the essence of effective management. If plans and objectives are not predetermined, a manager is merely reacting or coping. For example, deciding how to organize your day based on the items in your in-basket or the people waiting in line to see you, is a reactive approach to management.

Management Functions – *Management functions are those basic responsibilities, tasks and activities which characterize the role of a manager. A manager in Government performs two distinctive kinds of management functions. These are shown as* **sequential,** *in the outer ring, and* **ongoing,** *in the inner ring of the management cycle.*

If a manager cannot relate a particular activity that he/she carries out to one of these functions then that activity is likely not a management activity. Most managers are required to carry out technical or professional functions in addition to their managerial tasks.

Management Process – *A management process is a purposeful, systematic and integrated sequence of management activities which coordinates the efforts of managers.*

This definition implies that management process is built around people. For any organization to achieve its goals, people must work together in an organized, systematic way. Management process is the method of accomplishing this integration of functions when they are performed by more than one manager.

Functions

Ongoing Functions

The ongoing functions, represent the inner ring of the management cycle. They are described according to the segments of that ring. The ongoing functions are not performed in any sequence, nor do they necessarily relate directly to each other. These functions support the sequential ones and represent a core set of skills for all managers in the Ontario Government.

Sequential Functions

The sequential functions follow one another in the order shown with the fifth step (monitor and maintain direction) becoming the input to the first step, thereby forming a management "cycle".

Most managers will go through the cycle many times a year, one of those times being participation in the annual planning and budgeting cycle. However, because most managers work on dozens of matters during a day, the full cycle for any one matter is not always obvious. A moment's reflection on one of the many tasks or issues you are asked to deal with should illustrate how the steps fall into place.

A simple rule which makes the Management Cycle diagram useful to any manager in practically any situation is the following:

Before taking any management action or decision, take the time to locate yourself on the management cycle; check to see if the previous steps have been taken, then look ahead to see what is suggested as the next step.

It is often easy to skip an essential step given our primary focus on achieving end results. While the focus on results is essential, taking the right steps in building towards them affords you a greater opportunity for successful results achievement.

Related Concepts

This section deals with the relationship of the cycle to three concepts which are widely used and understood in the Ontario Public Service:

- Managing By Results
- Management Control
- Value-for-Money

Managing By Results

The fundamental principle of the Managing By Results concept, which is the equal emphasis on results and resources, should be applied at every step in the management cycle. In particular, managing by results places an emphasis on planning and control which are often manifested in Step 2 and Step 5 of the cycle.

Management Control

Management control is often said to have three aspects: planning, monitoring and corrective action. The reporting and audit processes found in Step 5 are those normally associated with the aspects of monitoring and recommendations for corrective action. The planning or objective setting processes in Step 2 are an essential basis for effective management control. While Step 3 and Step 4 are usually omitted from the concept of management control, it is in these steps where much of the corrective action takes place, resulting from monitoring and re-planning decisions.

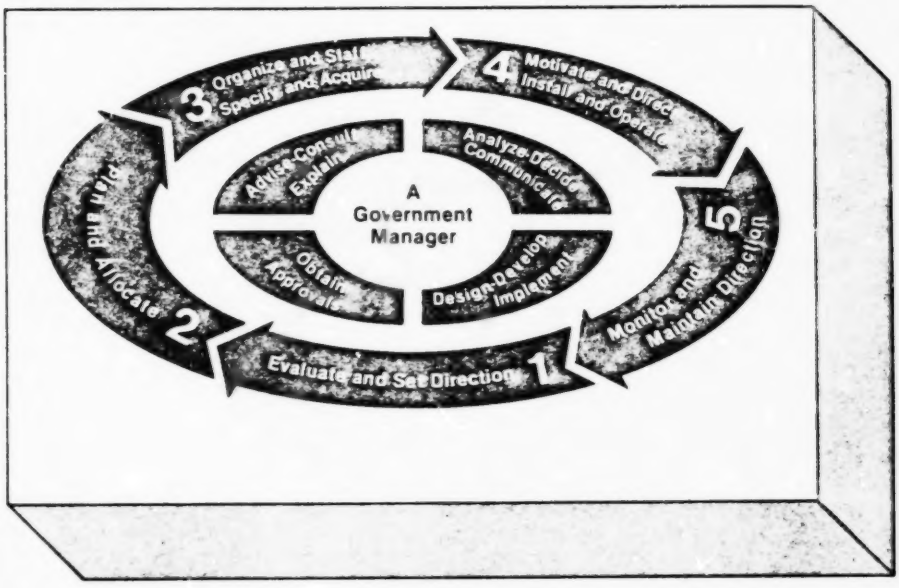
Value-for-Money

Achieving value-for-money can be simply viewed as: doing the right things, doing them well, and doing them with the least cost resources. These simple statements are embodied in the three E's: Effectiveness, Efficiency, and Economy.

While many people view value-for-money as related most closely to the reporting and audit processes of Step 5, effectiveness, efficiency and economy must be consciously built into the operating plans, the program design, and the resource acquisition schedules before the resources are acquired and the work begins. Value-for-money is really achieved in the first four steps of the cycle. The fifth step serves to indicate where value-for-money has or has not been realized.

The inside of this folder describes the relationship of a number of other management activities and terms to the management cycle. It is hoped that the management cycle will provide a simple framework for managers to relate to, use and hold in common as we all strive to improve and achieve excellence in management in the Ontario Public Service.

The Management Cycle



© Queen's Printer, Toronto 1981
ISSN 0 710 – 7986